

ABS GUIDELINES ON OPERATING A GIRO



The Association of Banks in Singapore

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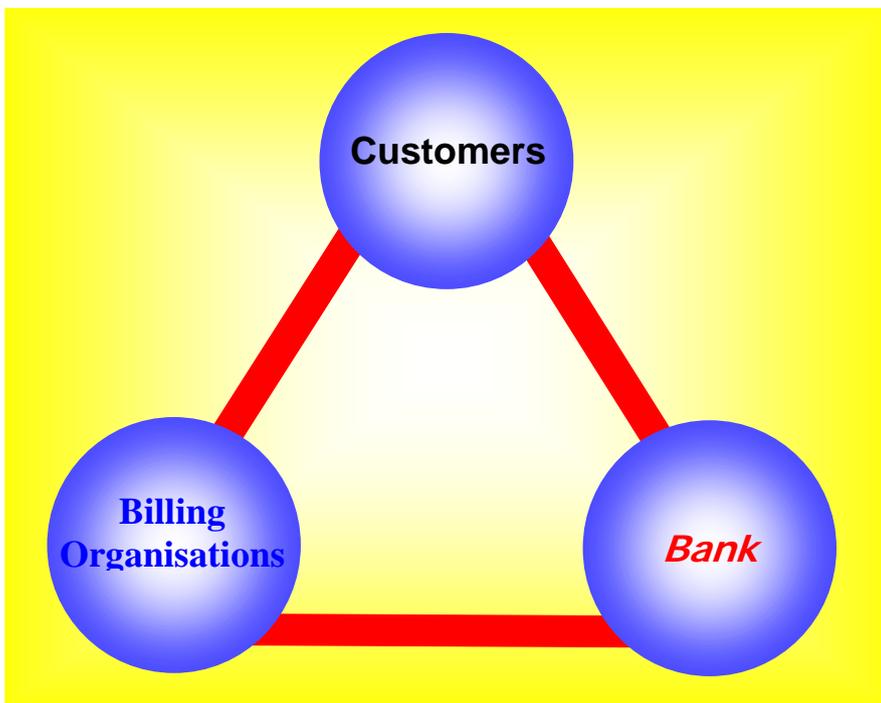
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ABS Guidelines on Operating a GIRO

A. INTRODUCTION

The ABS Guidelines on Operating a GIRO is an initiative to boost consumer confidence in using GIRO to pay their bills.

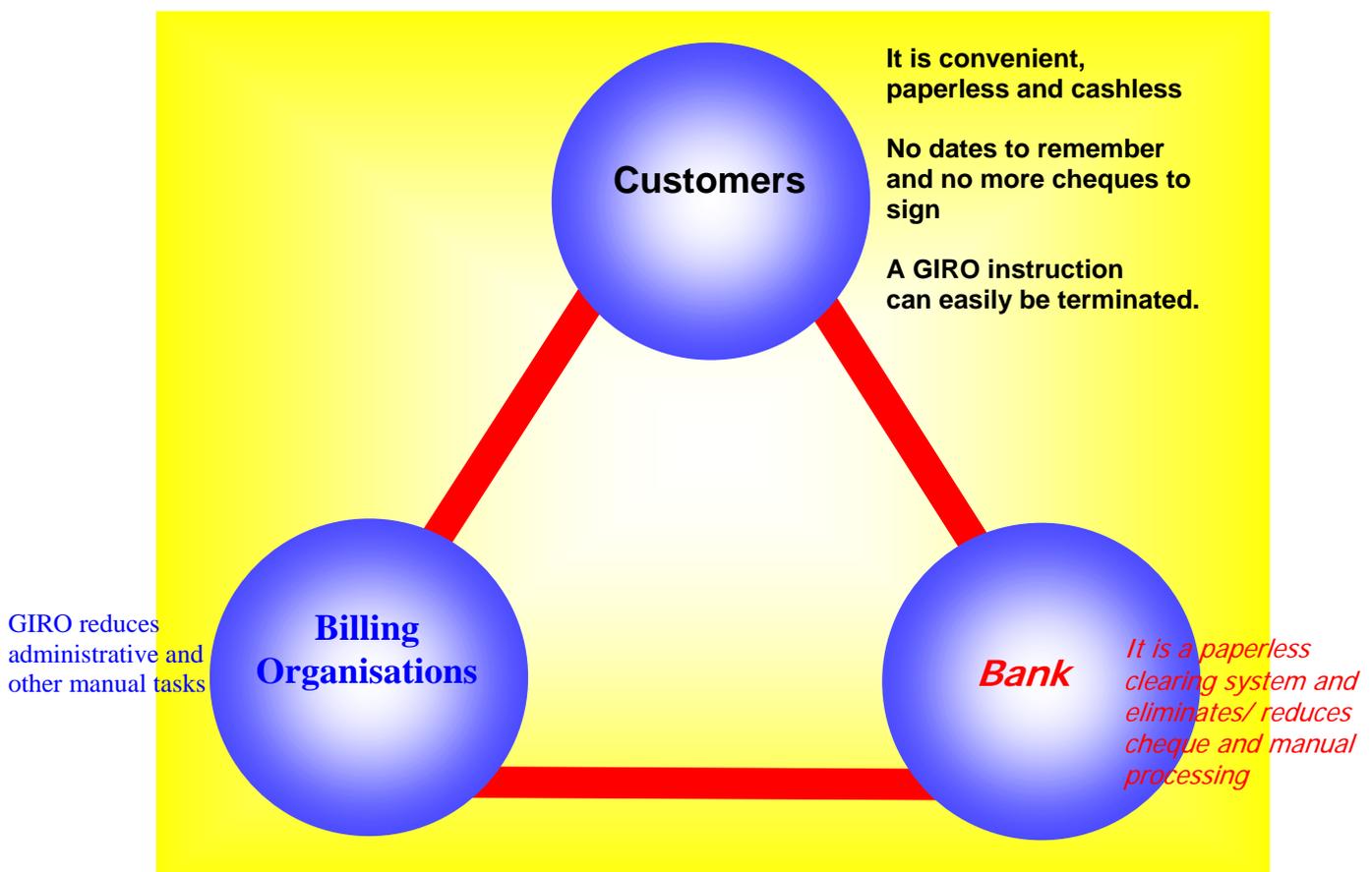
There is a tri-partite relationship between the bank customer, bank and billing organisation in the GIRO process. We hope that these guidelines will make the GIRO process more transparent by pointing out where the accountability, i.e. the customer, billing organisation and bank lies in every stage of the process.



Our member banks will obtain a written mandate from their customers to deduct the requisite amount from their accounts as and when bills from their billing organisations are due. Our members also pledge to ensure that the mandate entrusted to us is executed efficiently, and that no effort will be spared to ensure complete accuracy in transmitting the instructions provided.

B. BENEFITS OF GIRO

- GIRO is a beneficial mode of payment to all parties in the tri-partite relationship.
- It provides customers with a convenient, paperless and cashless payment alternative, and this is enhanced with the ease of terminating a GIRO instruction.
- Most of all, with payments made automatically every month, customers need not bother with the hassle of remembering bill payment dates and it also eliminates the need to issue and sign cheques.
- Being a paperless clearing system, it allows banks to reduce or eliminate cheque and manual processing freeing up staff resources and thus increasing efficiency.
- Similarly, GIRO reduces administrative and other manual tasks for billing organisations.



C. SERVICE STANDARDS AND RESPONSIBILITIES

This section outlines the roles and responsibilities of the bank customer, bank and billing organisation. This is to assure the bank customer of the transparency and efficiency of GIRO processes. At the same time, it will also serve as service standard benchmarks to banks and billing organisations so that bank customers can continue to enjoy the convenience of GIRO transactions.

Customers:

- ⊞ Customers should check all bills paid through GIRO, cheque or cash and notify the relevant party of any billing error.
- ⊞ Customers should ensure that there are sufficient funds in their account to be deducted. This would allow them to enjoy the full benefits of GIRO.

Banks:

- ⊞ Banks will operate on the mandate given to them by the customers.
- ⊞ Banks will accept deductions initiated by the billing organisations provided that they conform to the customer's mandate.
- ⊞ Banks will take steps to investigate and rectify wrongful deduction arising from its processing errors.

Billing Organisations:

- ⊞ Billing organisations will implement practical and reasonable service standards so as to encourage use of GIRO and these will be complemented with efficient processing from the point of receipt of the customer's application of GIRO to the collection of payment.
- ⊞ Billing organisations will have a systematic procedure for dispute resolutions to ensure conflicts are resolved efficiently and amicably.
- ⊞ Billing organisations will provide banks with correct and accurate instructions for GIRO deduction.
- ⊞ Billing organisations will provide customers with prominent notification in all bills relating to:
 - the amount to be deducted.
 - the date of the GIRO deduction, and
 - the department/person to contact in event of queries.

D. INTERBANK GIRO (IBG) PROCEDURES

The clearing and settlement process for the IBG paperless system is provided at Appendix A.

E. ABS GUIDELINES ON OPERATING A GIRO

Debit GIRO For Individual Accounts

These Guidelines set out the minimum service standards which billing organisations and banks which are signatories to these standards have pledged to uphold.

Definition

Customer : Customer of Bank & BO
Billing Organisation (BO) : Service provider
Bank : Individual Bank
Giro Application Form : As provided at Appendix 1

GIRO	Customer	Billing Organisation (BO) / YOUR BANK
Debit GIRO	It is an arrangement you can make with a billing organisation to debit your designated bank account to pay your bills from that billing organisation on a regular basis.	<p>(BO) It is an arrangement we have with you to pay for our services by debiting your designated bank account and crediting our bank account.</p> <p>(Bank) <i>It is a service we provide to enable you to arrange with your BOs to debit your designated bank account when payments are due.</i></p>
Benefits	It is convenient, paperless and cashless. No dates to remember. No cheques to sign.	<p>(BO) GIRO reduces administrative and other manual tasks.</p> <p>(Bank) <i>It is a paperless clearing system and eliminates/reduces cheque and manual processing.</i></p>

GIRO	Customer	Billing Organisation (BO) / YOUR BANK
<p>SECTION 1 : GIRO APPLICATION There are various ways to initiate an application eg through the Internet, by fax or by mail.</p>	<p>Step 1 You call the hotline number of the BO concerned or mail or email them for a GIRO Application Form* to be sent to you. BOs sometimes send out an Application Form together with your monthly bill.</p> <p>*Banks and BOs will use the standard GIRO Application Form as provided in the ABS Byelaws & Regulations, to the extent applicable. A copy of the format is at Appendix B.</p> <p>Step 3 You complete the Application Form and return it to the BO concerned by post, or personally.</p>	<p>(BO) Step 2 Where appropriate, we will fax or mail the Application Form to you within 7 working days after receiving your request.</p> <p>(BO) Step 4 We will check the completeness of the Application Form including matching our bill reference number with your records. We will liaise with you, where necessary, to ensure the accuracy and completeness of the Form. Thereafter, we will send the Form to your bank. All this may take up to 4 - 5 working days from the date of receipt.</p> <p>(Bank) Step 5 <i>Upon receipt of the Application Form from your BO, we will verify your particulars to ensure that your application is authorised. We will let your BO know within 4 - 5 working days from the date of receipt of the application.</i></p> <p>(BO) Step 6 Upon confirmation from your bank, we will process the application and notify you of the status within 4 - 5 working days. Alternatively, this may be indicated in</p>

your next bill.

We will advise you of the date when the first deduction will take place. Meanwhile, please continue to pay the first billing after your GIRO application through your usual mode until you receive our advice.

Step 7

If you have not received an acknowledgement 14 working days after sending off your Application Form, please check with your BO. Meanwhile, please pay the first billing after your GIRO application in your usual way until you have been notified that your GIRO application has been activated.

Note: The GIRO should be effected by the second billing cycle from the date of your application. Your BO will advise you of the actual date when the first GIRO deduction will be made.

GIRO	Customer	Billing Organisation (BO) / YOUR BANK
<p>SECTION 2: GIRO TERMINATION</p> <p>Normally, when a “stop payment” request is made, it is tantamount to a request to terminate all future payments by GIRO to a particular BO. If the customer wishes to recommence payment by GIRO, he would have to make a fresh application. (See Section 1)</p> <p><i>Most banks do not allow for temporary stopping of payment via GIRO for a month or a few months.</i></p> <p>There are various ways to terminate a GIRO arrangement e.g. through the Internet, by fax or by mail. Please check with your BO or your bank.</p>	<p>Step 1 You send your GIRO termination notice in writing to your bank, with a copy sent simultaneously to your BO to inform them of the termination of a GIRO authorisation.</p> <p>Periodically, you should review your GIRO accounts and terminate the Direct Debit Authorisations (DDAs) that are no longer required.</p> <p>Step 3 If you terminate your GIRO, please ensure that you continue to pay your bills via other modes.</p>	<p><i>(Bank)</i> Step 2 <i>We will terminate the GIRO link with your designated bank account.</i></p> <p>(BO) If you wish to check on the status of your termination instruction, please contact our customer service center to confirm your status of the GIRO termination.</p>
<p>Temporary Stoppage</p>	<p>Please check with your bank whether it offers this facility. If it does, a charge may be levied.</p>	

GIRO	Customer Billing Organisation (BO) / <i>YOUR BANK</i>
<p>SECTION 3: CHANGING BANK ACCOUNTS FOR GIRO</p> <ul style="list-style-type: none"> a) between accounts within the same bank b) to an account with another bank 	<p>(Bank)</p> <p>For your own convenience, please put in a new application for a GIRO under the desired bank account and also inform the BO concerned of your action. Please allow sufficient time for the fresh application to be processed and activated. (See Section 1). You can then terminate your existing GIRO linkage between your BO and your bank account, using the procedures set out in Section 2.</p>

GIRO	Customer	Billing Organisation (BO) / <i>YOUR BANK</i>
<p>SECTION 4: PAYING YOUR BILL THROUGH ANOTHER PERSON'S BANK ACCOUNT</p> <p>Often, you can pay your bills by GIRO using another person's bank account. Please check with the BO concerned whether it provides this facility.</p>	<p>In the GIRO Application Form, you must provide:</p> <ul style="list-style-type: none"> a) the name of the bank of the person undertaking to pay and all relevant account details e.g. name of account holder and account number b) the person undertaking to pay must sign according to his authorised signature in the bank's record. c) your particulars as the user of the services provided by the BO(s) concerned <p>Please refer to Section 1: GIRO APPLICATION for details of what to do to get started.</p>	

GIRO	Customer	Billing Organisation (BO) / <i>YOUR BANK</i>
<p>SECTION 5: DEDUCTIONS</p> <p>a) GIRO deductions</p>	<p>Step 2 Please have the required sum to be deducted in your bank account if you do not wish to incur administrative charges levied either by your BO, your bank or both.</p>	<p>(BO) Step 1 Every BO has its own billing cycle.</p> <ol style="list-style-type: none"> 1) Where payments are fixed and regular, (eg conservancy charges, maid levy, personal income tax), there will be no subsequent notification of deduction and no bills will be sent after the initial notification. 2) Where payments are not on regular due dates and/or amounts deducted are not fixed, (eg credit card/telephone/utility bills), we will let you know in advance the date and the amount to be deducted from your designated bank account.

GIRO	Customer	Billing Organisation (BO) / YOUR BANK
<p>SECTION 5: DEDUCTIONS (con't)</p> <p>b) Keeping track of deductions</p>	<p>Step 3</p> <p>a) Always check the bill from the BO being paid via GIRO as soon as it arrives.</p> <p>b) Verify the deductions against your bank statement/ savings passbook regularly. You can also check your account via online access, if you have signed up for this facility</p> <p>c) Check The Association of Banks in Singapore website (http://www.abs.org.sg) for the relevant debit acronyms.</p> <p>Step 4</p> <p>If you disagree with the amount to be deducted or the amount already deducted, please see Section 8: DISPUTES on what to do.</p>	<p>(BO)</p> <p>Step 1</p> <p>a) We will still send out bills/statements to our customers.</p> <p>b) Before a deduction is made, we will let you know in advance the date and the amount to be deducted from your designated bank account.</p> <p>(Bank)</p> <p>Step 2</p> <p><i>The amount deducted will be printed in your savings passbook or current/savings account statement together with an acronym indicating at minimum, the BO to whom the deduction will be credited.</i></p>

GIRO	Customer	Billing Organisation (BO) / <i>YOUR BANK</i>
<p>SECTION 6: UNSUCCESSFUL DEDUCTIONS</p> <p>It is normal practice for the BO and/or bank to levy a service fee for the cost of processing the unsuccessful GIRO payment.</p>		<p>(BO) We will inform you</p> <ul style="list-style-type: none"> a) that your GIRO deduction has been unsuccessful to meet payment due, and b) of alternative payment mode or date of second deduction, if any.

GIRO	Customer	Billing Organisation (BO) / <i>YOUR BANK</i>
SECTION 7 : PAYMENT LIMIT FOR GIRO DEDUCTIONS	<p>There is no need to set any limit. Setting a limit could cause your GIRO to be returned if the amount exceeds the limit specified. This could then result in an administrative charge.</p> <p>If you disagree with the amount to be deducted, you can inform your BO. Please see Section 8: Disputes.</p>	<p>(BO) Before every variable deduction, we may let you know in advance the amount to be deducted from your designated bank account. If you disagree, you can inform us and we will initiate the process detailed in Section 8: DISPUTES.</p> <p><i>(Bank) We will debit the exact amount according to the GIRO instruction given by your billing organisation.</i></p> <p><i>The amount deducted will be shown in your statement or savings passbook.</i></p>

GIRO	Customer	Billing Organisation (BO) / <i>YOUR BANK</i>
<p>SECTION 8 : DISPUTES</p> <p>a) about error in the billing amount</p> <p>b) before or after deduction</p>	<p><u>Before deduction has been made by BO</u> If billing amount is incorrect</p> <ul style="list-style-type: none"> • Contact BO or • Contact the bank to request stoppage. <p>Note well however Section 2 regarding stopping a payment and what it means for your GIRO arrangement.</p> <p><u>After deduction has taken place</u> Contact the BO all the same</p>	<p>(BO)</p> <p>a) BO will investigate immediately</p> <p>b) BO will stop payment from going through</p> <p>c) After investigation</p> <ul style="list-style-type: none"> • If customer's complaint is valid, the amount will be adjusted. • If the amount to be deducted is correct, the deduction will go through. • If the dispute is still being investigated, the BO will suspend the deduction. <p>a) BO will investigate and acknowledge within 3 working days.</p> <p>b) BO will provide an interim response within 10 working days</p> <ul style="list-style-type: none"> • If the amount deducted is incorrect, BO will refund the difference. • If the amount deducted is correct, the amount deducted remains in BO's bank account.